

13 September 2012

Recommended cash offer for LinQ Resources Fund De-listing meeting deferred

Dear unit holder

I am pleased to advise you that the LinQ Resources Fund ("LRF") has received a takeover offer from IMC Resources Holdings Pte Ltd ("IMC") (the "IMC Offer"), for the acquisition of all the units in LRF it does not already own.

Under the IMC Offer, LRF unit holders will receive \$0.70 cash for each unit, subject to the satisfaction of the conditions to the IMC Offer. This represents a significant premium to the recent trading range of LRF units and provides the certainty of a cash payment for all unit holders.

The Board has considered the IMC Offer and the Independent Directors unanimously recommend that unit holders accept the IMC Offer. Each of the Directors has advised that they intend to accept the IMC Offer in respect of the LRF units they own in the absence of a superior offer.

You will receive further information regarding the IMC Offer in the coming month, and you will not be required to act until you receive and review this documentation. This is an important development, and I wanted to outline the IMC Offer and why the Independent Directors believe it provides unit holders with a superior outcome to the de-listing proposal.

IMC is a Singapore based group, which has been a long term investor in LRF and currently holds 17.5% of the units on issue. The IMC Offer provides all unit holders with the opportunity to sell their entire holding in the Fund for cash of \$0.70 per unit. The Independent Directors of the Board consider this to be particularly attractive given the prevailing challenging equity market conditions and valuations.

The IMC Offer price of \$0.70 cash represents:

- A premium of 39% to the closing of price of LRF units on the ASX on 7 September 2012 (the last trading day before a trading halt was called in relation to LRF units); and
- A premium of 39% to the volume weighted average price of LRF units on the ASX over the five trading days to and including 7 September 2012.

As you know, your Board has previously investigated a range of measures to assist in closing the gap between the market price of LRF units and the underlying NTA of the Fund. This resulted in a proposal to de-list the Fund, which was to be considered at a meeting of unit holders next week.

However, the Independent Directors of the Board consider the IMC Offer provides a superior outcome to the de-listing proposal as unit holders will have the opportunity to sell all of their units at an attractive price. Consequently, we will adjourn the meeting of unit holders to be convened on 17 September 2012 to consider the de-listing proposal. The meeting will now be held at a date after the close of the IMC Offer, should the IMC Offer not be successful. If this occurs, you will be notified of the new deadlines for the lodgement of proxies and initial redemption offer forms in relation to the proposed de-listing. Proxies and initial redemption offer forms already submitted will be held in abeyance pending the outcome of the IMC Offer. The lodgement of an initial redemption offer form does not preclude you from accepting the IMC Offer.

We expect the Bidder's Statement and Target's Statement in relation to the IMC Offer to be dispatched together by early October. The IMC Offer will remain open for a minimum of one month from the date of dispatch.

I encourage you to review this documentation carefully when it arrives, and if you have any questions, please do not hesitate to contact one of the executives named at the foot of this letter.

Your Directors will continue to update unit holders on all developments as they occur in respect to the IMC Offer.

Yours sincerely

Bruno Camarri AM
Chairman

For further information please contact:

Unit holder enquiries:

Clive Donner
LinQ Capital Limited
Tel: 61 8 9488 8888
Email: clivedonner@lingresources.com

Simon Durack
LinQ Capital Limited
Tel: 61 8 9488 8888
Email: simondurack@lingresources.com

Media enquiries:

Warrick Hazeldine
Cannings Purple
Tel: 61 8 6314 6300
Email: whazeldine@canningspurple.com.au